



Iowa Multi-Family Housing Program Update November 3, 2015

Continuing Resolution Removes Restrictions to USDA Rural Development Rental Assistance Program

The current continuing resolution (CR) to operate the federal government through December 11, 2015, provides funds needed to renew all USDA Rural Development rental assistance agreements affected by last year's budget language restricting second renewals within a 12-month period.

Therefore, any rental assistance agreement impacted by last year's restriction will now be renewed as their funds are exhausted.

The CR will also enable USDA Rural Development to fully fund rental assistance agreements awaiting renewal funding from September or which are due for renewal in October. Additionally, USDA Rural Development is also able to request an exception apportionment to fund all rental assistance agreements that are expected to be renewed during the CR time period.

All rental assistance agreements will be funded as soon as appropriations are received by USDA Rural Development.

Late fees will be waived by the Agency for those properties that incurred late fees due to the lack of rental assistance. Some owners have not accepted the project worksheet because the late fees appeared. Please accept the project worksheet so the payment can be processed and the fees can be waived.

The rental assistance agreements will be funded based on a new rental assistance obligation tool which incorporates a new funding methodology that includes rent increases, both proposed and implemented, and adds an inflation factor. These changes are designed to ensure rental assistance needs are met at all multi-family housing properties across the country.

USDA Rural Development will provide 12 months of funding for all projects currently in need of funding as soon as funds are available.

Joint Utility Program Incentive for Multi-Family Complexes in Iowa

MidAmerican Energy, Black Hills Energy and Alliant Energy are currently offering a joint utility program for income-based multi-family complexes in Iowa.

The program includes such things as:

- Free materials and/or installation of direct installs such as faucet aerators, low-flow shower heads, compact fluorescent lamps (CFLs), programmable thermostats and water heater pipe insulation for all units and common areas.
- Free comprehensive energy analysis.

- Enhanced rebates up to 40 percent of installed cost.
- Free professional energy management consultation.

Questions about this program may be directed to Josh Petersen with The Energy Group at joshpetersen@theenergygroup.biz.

Allowable vs. Unallowable Project Expenses

A reminder from the manager meetings held in September, a **task list** should be used to identify which services are included in the management fee, which services are included in project operations, and which are pro-rated along with the methodology used in the pro-ration of expenses between management agent fees and project operations. Some property responsibilities are completed at the property and some offsite. Agent responsibilities may be performed at the property, the management office, or at some other location.

Several of the items we discussed during the manager meetings include:

- District property managers, regional property managers, district maintenance coordinators, regional maintenance coordinators are not project eligible expenses, and should NOT be included in the project budget. Direct personnel costs of permanent and part-time staff assigned directly to the project site ARE eligible project expenses. This could include the on-site manager and on-site maintenance person, but does not include regional or district staff.
- Costs and services to be paid as part of the bundle of services (management fee) include, but are not limited to: supervision by the management agent and its staff for overall operations and capital improvements of the site. This would include regional and district staff.
- The cost or expense of equipment and any related equipment service contract is a **management agent direct expense**, unless the machine becomes the property of the project after purchase.

For additional information regarding eligible project expenses, and expenses that are included with the management fee bundle of services, please refer to HB-2-3560, Attachment 3-D and 3-E; and 7 CFR 3560.102(i)(1), (2), (3), and (4); and 7 CFR 3560.303(b)(1) and (2).

For more information about USDA Rural Development's Multi-Family Housing Programs please contact Deb Reed at Deb.Reed@ia.usda.gov, or 712-243-2107 Ext. 120 or Dan Speed at Dan.Speed@ia.usda.gov or 563-886-6006 Ext. 127.

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